# HOLIDAY ECONOMIES AND DOMESTIC CONSUMPTION: LESSONS FROM CHINA'S GOLDEN WEEK FOR GHANA'S EMERGING HOLIDAY ECONOMY

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## Abstract

This paper examines the deliberate policy design through which China engineered one of the world's most economically important public holiday systems, drawing from that experience to construct an actionable framework for Ghana's emerging holiday economy. Grounded in New Structural Economics (NSE), the argument is that Ghana does not need to replicate China's Golden Week wholesale but must instead identify the comparative advantages embedded in its own festival heritage, diaspora connectivity, and regional positioning, and then build the hard and soft infrastructure to enable those advantages to generate sustained economic returns. The paper traces China's trajectory from the State Council's September 1999 decision through to the mature system of 2024 and 2025, examines Ghana's own assets and gaps, draws the applicable comparative lessons, and proposes a phased development framework.

## 1. Introduction

The deliberate construction of a holiday economy is one of the most structurally elegant economic policy instruments available to governments, yet also one of the most technically demanding to execute. Its underlying logic is straightforward, extended public holidays create distinct windows of free time during which households shift from their default saving posture toward consumption, spending on travel, hospitality, entertainment, and cultural experiences in ways that simultaneously stimulate broad sectors of the economy. The policy appeal is obvious, however, the implementation is very challenging.

China has demonstrated this principle at a scale and with a consistency unmatched anywhere in the world. When the State Council introduced the Golden Week holiday system in September 1999, it was responding to deflationary pressures and export slowdown following the 1997 Asian financial crisis, deploying a precisely regulated instrument to boost domestic consumption quickly. What followed over the next 25 years was a demonstration of what NSE would recognize as optimal industrial policy, that is, the state providing facilitation and coordination for sectors in which the country possessed latent but underexploited comparative advantages.

Ghana stands at a moment of great opportunity. In 2024, the country recorded US$4.8 billion in tourism receipts (Ghana Tourism Authority, 2024), and the December festive season had become so economically central that many businesses reported it accounting for up to 40 percent of their full-year revenues. The government's 2025 holiday scheduling reform, shifting mid-week holidays to create predictable extended long weekends, signaled a growing recognition that holiday policy is an economic instrument. Yet Ghana continues to lack a coherent, year-round holiday economy framework. The December boom is real but fragile, heavily concentrated in a single month, heavily dependent on diaspora arrivals, and underpinned by hospitality and transport infrastructure that in many parts of the country remains inadequate for the demand it is asked to serve. The structural challenge this paper addresses is how Ghana moves from a powerful but volatile seasonal phenomenon to a durable institutional design.

## 2. China's Holiday Economy: Origins, Design, and Evolution

### 2.1 The 1999 Decision and Its Economic Logic

By 1998, China confronted a problem its export-led growth model had not been designed to solve: domestic demand was insufficient to compensate for the shock delivered by the 1997 Asian financial crisis. The government had introduced a five-day working week in 1995, but consumer behaviour had not shifted as expected household savings rates remained high, a rational response to the absence of adequate social safety nets. The State Council's solution was to create three extended national holidays, each spanning approximately seven days, by bridging public holidays with adjacent weekends, the Spring Festival marking Chinese New Year, the Labor Day holiday in early May, and the National Day holiday in early October. The economic logic was sound, short holidays rarely generate significant travel spending because the time cost of long-distance transport makes such trips unattractive relative to available time. A seven-day continuous window fundamentally alters this calculation.

### 2.2 The Infrastructure Sequencing That Made It Work

The scheduling policy alone would have remained theoretical without the infrastructure investment the state simultaneously undertook. The 2008 stimulus package, valued at four trillion yuan (approximately US$586 billion), directed nearly 38 percent of resources toward railways, highways, and airports (China Briefing, 2023), with high-speed rail fundamentally transforming the geography of domestic tourism. The lesson for Ghana is not about replicating the scale of this investment, which would be neither fiscally feasible nor structurally appropriate, but about sequencing and intentionality, holiday policy and infrastructure investment must be treated as inseparable.

### 2.3 The 2007 Reform: Distributing the Calendar

Chronic overcrowding prompted the 2007 reform, the May Day Golden Week was reduced to a single day, while Qingming, the Dragon Boat Festival, and the Mid-Autumn Festival were introduced as new national holidays (PRC State Council, 2007). This distributed spending more evenly across the year, while anchoring the holiday economy in China's own cultural heritage, a lesson Ghana can apply from the outset rather than retrospectively.

## 3. Ghana's Holiday Economy: Assets, Gaps, and Recent Reforms

### 3.1 The Festival Tradition and the Year of Return

Ghana's latent comparative advantages are substantial. The Akwasidae, Homowo, Hogbetsotso, Damba, and Oguaa Fetu Afahye festivals each represent recurring moments of culturally anchored economic activity in NSE terms, revealed comparative advantages requiring facilitation rather than construction from scratch. The Kwahu Easter festival, drawing over a million visitors annually, is in miniature exactly what Ghana's holiday economy could look like at national scale. The Year of

Return campaign of 2019 recorded a 20 percent increase in visitors, a 45 percent rise in airport arrivals, and an estimated US$1.9 billion in economic impact (Ghana Tourism Authority, 2020). By 2024, international December visitors were staying an average of 22 nights and spending over US$700 daily (Ghana Tourism Authority, 2024). That this phenomenon remains concentrated in one month is not a strength it is a structural vulnerability.

### 3.2 The 2025 Reform and Infrastructure Gaps

The 2025 public holiday reform directly mirrors China's 1999 insight, the continuity of a holiday period matters more than the mere existence of a day off. But scheduling reform creates only the temporal structure it does not generate transport connectivity, hospitality capacity, or domestic tourism culture. Road access to heritage sites, including Cape Coast and Elmina, Mole National Park, and the Wli Waterfalls remains substandard. Accommodation capacity outside Accra is insufficient to absorb overnight spending at scale.

## 4. Comparative Analysis: What Ghana Can Learn from China

The most transferable lesson is policy intentionality holiday economies do not emerge from mere scheduling. Ghana's existing festival calendar already contains the raw material for a four-pillar annual structure distributing consumer activity across the year as China's 2007 reform distributed domestic spending. Building a domestic tourism culture through school programmes, corporate travel incentives, and media campaigns produced by Ghana's own creative industry is the way to go. Most distinctively, Ghana possesses one structural advantage China never had: a large, economically powerful diaspora community. Remittance inflows reached US$6.65 billion by the end of 2024, exceeding foreign direct investment of US$1.73 billion (Bank of Ghana, 2024). A diaspora engagement calendar distributing visit motivations across the year, heritage tourism at Easter, festival tourism in August, pan-African celebration in December, paired with investment facilitation to convert frequent visitors into hospitality investors, would structurally transform Ghana's December dependency. Community-based tourism models expanding Ghana's Community Resource Management Areas (UNDP Ghana, 2022) are equally essential to prevent the distributional failures China has not yet resolved.

## 5. A Framework for Ghana's Holiday Economy Development

In the short term (Years 1–3), publish a decade-long holiday calendar to give businesses the planning certainty a functioning holiday economy requires; accelerate digital platform rollout with meaningful representation for rural and secondary-city operators; and establish a national holiday economy taskforce. In the medium term (Years 3–7): designate road access to the twenty most significant heritage destinations as a national infrastructure priority; formally designate three festivals alongside December in GH as national holiday economy anchors, each receiving coordinated transport connectivity, accommodation grants, national media coverage, and diaspora marketing through diplomatic missions and treat hospitality workforce development as a national priority where bilateral partnerships with China represent a concrete funding opportunity. In the long term (Years 7–15): Ghana has the potential to become the preeminent holiday destination for the global African diaspora, with at least four distinct annual holiday peaks.

## 6. Conclusion

China's Golden Week did not happen by accident. It was the product of a specific policy decision made at a moment of economic urgency, backed by decades of sequenced infrastructure investment, refined through reforms that balanced macroeconomic objectives with social and cultural values, and ultimately institutionalized through the development of a national culture of domestic holiday travel. Its core achievement is undeniable, it turned public holidays into one of the most reliable engines of domestic consumption in the world's second-largest economy.

Ghana is not China, and the differences matter. Its economy operates at a fundamentally different scale. Its state capacity is structured differently and faces different constraints. Its infrastructure deficit is more acute. These differences do not make China's experience irrelevant to Ghana's situation, they make the adaptation task more demanding and more interesting. What New Structural Economics tells us about this kind of policy learning is that the relevant lesson from China's experience is not the specific form of the Golden Week system but the underlying logic: identify the latent comparative advantages in your economy, provide the facilitation infrastructure that allows those advantages to generate economic returns, and sequence policy interventions in alignment with the actual capabilities and institutional realities of your country.

Ghana's latent comparative advantages in the holiday economy space are clear, a festival calendar of extraordinary cultural depth, a diaspora community of unusual economic and emotional engagement, a democratic governance tradition that can mobilise broad stakeholder participation, and a December tourism phenomenon that has already demonstrated what a fully developed holiday economy could look like at scale. The 2025 holiday scheduling reform is a welcome step in the right direction. What must follow in the short, medium, and long term is the whole-of-government alignment, infrastructure investment, cultural programming, workforce development, and the data infrastructure that would allow Ghana to convert that reform into the kind of enduring economic institution that China's Golden Week represents. Done with the importance it deserves, a Ghanaian holiday economy could become not just a driver of growth and diversification but a new expression of national identity, a way of celebrating, together and across the diaspora, what it means to be Ghanaian.